



Iowa Department of Human Services

INFORMATIONAL LETTER NO. 1969-MC-FFS-D

DATE: December 6, 2018

TO: Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC)

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS), Dental (D)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: FQHC/RHC Rate Floor Update

EFFECTIVE: January 1, 2019

[Informational Letter 1562](#)¹, issued October 27, 2015, set the rate floor for MCO payments to FQHCs and RHCs at the provider specific Benefits Improvement and Protection Act (BIPA) Prospective Payment System (PPS) rate. The BIPA PPS rates are updated annually using the Medicare Economic Index (MEI) factor.

The MEI factor for 2019 is 1.5 percent. Updated provider specific BIPA PPS rates have been calculated and were provided to MCOs on November 28, 2018. The updated rates are effective for services on or after January 1, 2019.

If you have any questions, please contact the Iowa Medicaid Enterprise Provider Cost Audit Unit at 1-866-863-8610, locally in Des Moines at 515-256-4610, or by email at costaudit@dhs.state.ia.us.

¹ https://dhs.iowa.gov/sites/default/files/1562_ManagedCareOrganizationProviderReimbursementRateFloors.pdf